Service Level Agreement (SLA)

Between

The ~~(Insert Agency Name)~~Department of Corrections

and

The Department of Information Technology

Duration of Agreement	
From:	To:

Signatories	
Signed for and on behalf of: **Department of Information Technology** By: Teri Takai Teri Takai, Director By : Gary Blair Information Officer Dated:	Signed for and on behalf of: *~~[Insert Agency Name]~~Department of* By: Jeffrey Baumann, Administrator

Service Level Agreement (SLA)

Between

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Duration of Agreement

From: To:

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Signed for and on behalf of:
Department of Information Technology

By: _____
Teri Takai, Director

By: _____
Gary Blair,
Information Officer

Dated: _____

Signed for and on behalf of:
[Insert Agency ~~Name~~]Department of

By: _____
Jeffrey Baumann, Administrator

Office of Audit, Internal Affairs and Litigation

Title : _____

By: _____

Barry Wickman, Chief Financial Officer
Administration and Programs

Title: _____

Dated: 6/29/04

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APPENDIX B: Definitions

A. GENERAL

1.0 Purpose and Objective

This Service Level Agreement (SLA) has been jointly created by ~~[Insert Agency Name]~~the Michigan Department of Corrections (MDOC) and the Department of Information Technology (DIT) to detail the conditions and expectations of our two organizations regarding the delivery of information technology services.

We believe this SLA will help us express our expectations of each other, manage our respective workloads, communicate more effectively and quickly resolve any service problems that may arise. This document can be viewed as a building block that will contribute to a long-term relationship. Accordingly, no changes will be made to this document without the agreement of both organizations. This document will remain in effect until explicitly replaced or terminated.

2.0 Scope

DIT will provide the following services at all MDOC[Insert ~~Agency Name~~] locations. These services include application development and maintenance, helpdesk services, voice, desktop and field services, computing services, data and network connectivity services, disaster

recovery and business resumption services, information technology and consulting services, IT procurement and IT contract management. MDOC maintains the right to manage proprietary software, e.g prison perimeter software, personal safety software, Bureau of Correctional Industries softwareThe following services are not provided by DIT and therefore are not part of this agreement; [Insert appropriate items]

. Responsibilities will be shared and documented as determined by the joint MDOC/DIT committee reviewing these issues.

3.0 Roles and Responsibilities

DIT shall:

- Be responsible for providing the resources and skills to deliver the agreed-to services identified in the SLA.
- Communicate the methodology for pricing and the process for collecting fees and payments.
- Organize, facilitate and attend meetings in order to meet service objectives and business demands.
- Commit to teamwork and conflict resolution.
- Ensure the needs and concerns of DIT and the Agency are represented.
- Provide a secure IT system.

MDOC [Insert Agency Name] shall:

- Assign an individual as the MDOCDepartment SLA Manager.
- Commit to teamwork and conflict resolution.
- Communicate all issues and problems to DIT following the problem management and escalation procedures outlined in this document.
- Communicate with DIT to ensure that DIT is adequately informed about MDOC[Insert Agency Name] needs, requirements and business directions. The Agency must communicate with DIT immediately if there are changes in program direction. New initiatives must be communicated to DIT so that adequate preparation and procurement time is available to implement new or enhanced services.
- Include appropriate DIT Information Officer (IO) in IT strategic planning activities.

MDOC[~~Insert Agency Name~~] Ownership of MDOC[~~Insert Agency Name~~] Data

MDOC[~~Insert Agency Name~~] Data is and will remain the property of the MDOC[~~Insert Agency Name~~]. The DIT in delivering information technology services is acting as the custodian of [MDOC[~~Insert Agency Name~~] data. The data owner, i.e. MDOC[~~Insert Agency~~ Name] is responsible for communicating data requirements to the DIT, e.g. access rights, criticality, etc. The DIT will establish and maintain environmental, safety and facility procedures, data security procedures and other safeguards against the destruction, loss, or alteration of MDOC[~~Insert Agency~~ Name] Data in the possession of the DIT which are no less rigorous than those maintained by the DIT for its own information of a similar nature.

Responsibility for Application and General Controls

Application Controls apply to individual computer application systems and may include such controls as data origin, input controls, processing controls, output controls, application access controls, application interfaces, audit trail controls, and application documentation. Application Controls consist of mechanisms in place over each separate application (computer system) that helps to ensure authorized data is processed completely, accurately, and reliably. MDOC[~~Insert Agency Name~~] is and will remain responsible for ensuring application controls are in place and functioning properly within their organization.

General controls provide the business and IT functions with a set of encompassing controls that are shared by several agencies~~/departments~~ or information system functional units, or support underlying functions that one or more applications rely on. General controls commonly include controls over data center operations, system software (not application software), acquisition and maintenance, physical security, OS (Operating System) level security, application systems development maintenance, and overall IT ~~Department~~ administration. These controls apply to all systems, e.g. mainframe, mini-computer, and end-user computing environments. DIT is and will remain responsible for general controls.

Security

MDOC[~~Insert Agency Name~~] and MDOC[Insert ~~Agency Name~~] personnel are responsible for complying with DIT IT security policies.

4.0 Contact Information:

The Information Officer will be the primary representative from DIT managing and ensuring service delivery as identified in the SLA.

~~[Insert Name, phone, location, e-mail address of the Information Officer]~~Gary Blair, phone (517)336-6473, Michigan State Police I:BlairG.MSP-HQ.MSP

Jeffrey Baumann ~~[Insert Department SLA Manager]~~ and Barry Wickman hasve been identified as the MDOC~~Department~~'s SLA Managers and will be the primary representatives for MDOC~~[Insert Agency Name]~~

Customer Service Center (phone xxx-xxxx, email:abcd)
The DIT Customer Service Center is available 7:30 am – 5:00 pm Monday through Friday. This Customer Service Center is the point of contact for MDOC~~[Insert A~~gency Name] service requests and problems.

5.0 SLA Problem Management and Escalation

It is anticipated that the services provided by DIT will be acceptable to the MDOC~~Department~~. In the event that the MDOC~~Department~~ is dissatisfied with the services provided, the MDOC~~Department~~ SLA manager should contact the DIT IO. The IO will resolve the issue to the MDOC~~Department~~'s satisfaction. If a mutual resolution can not be reached, the issue will be elevated to the Director of the Department of Information Technology.

6.0 SLA Document Change Process

Changes to this agreement may be negotiated based on changing business or service needs or significant variances from service commitments. Requests can be submitted to the IO or the MDOC~~Department~~'s SLA Manager, and they will negotiate the changes. The changes must be agreed to by the Directors, or their designees, of both organizations.

7.0 Maintenance and Distribution of the Agreement

The IO is responsible for maintaining this Agreement and ensuring that changes have been incorporated when appropriate prior to distributions of new versions.

Distribution of copies within the MDOC~~[Insert Agency Name]~~ organization is the responsibility of the MDOC~~Department~~ SLA Manager.

8.0 Billing and Invoicing

The DIT services charges will be based on actual costs, which are deemed fully allowable and appropriately assigned or allocated to

respective DIT services as required by OMB Circular A-87. DIT is in a transition period. As a service provider to State of Michigan agencies, the ultimate direction is to move to a fully-rated cost recovery model. Noted below are cost treatments and charge-back methodologies for DIT services for FY 2003.

Invoices must be paid within ~~30~~ 90 days of receipt. If an item is disputed the remaining invoice amount must be paid in full within ~~30~~ 90 days of receipt. [Insert Agency Name] must notify Corey Sparks of disputed items within ~~10~~ 30 days of receipt of invoice.

DIT Cost & Cost Recovery Treatments FY 2003

Direct Charges: The ***MDOC***~~[Insert Agency Name]~~ will be charged for costs directly associated with the delivery of IT services. Examples include: direct agency assigned staff and agency specific IT procurement. In some instances there are staff who are working for multiple agencies in a non-rated service. Program managers will provide work distributions based on time reporting data for staff in these roles. Staffing costs will be charged to the ***MDOC***~~[Insert Agency Name]~~ based on distribution percentages. DIT will continue to maintain time statistics. Time statistics will be distributed to each Agency on a monthly basis, or as agreed upon by the Agency and DIT.

Program Administration (PA): Program Administration (which includes divisional, sectional and team administration) expenditures are costs incurred by program management in the delivery of IT services. An example of such cost is the Director of Agency Services. Costs incurred by the Director of Agency Services will be allocated to the ***MDOC***~~[Insert Agency Name]~~ as a function of Agency Services' direct salaries charged by Agency. PA will be allocated to the first-line staff through step-down allocations based on salary dollars.

Rated Services: The MDOC~~[Insert Agency Name]~~ will continue to be charged for rated services such as Telecommunication data and voice networks, Data Center Services, Project Management and Center for Geographic Information Services, etc. Rated services are charged based on usage for the specific service per published rate schedules.

Desktop Services: Desktop Services costs will ultimately be recovered through a rated structure. Initially, however desktop costs will be allocated to the MDOC~~[Insert Agency Name]~~ based on relative percentage of desktops.

Desktop Services Total Costs	x	Agency Desktop Count / Total Desktop Count	=	Agency Charge

Where required, Remedy statistics may be used to aid the DIT in further distribution of desktop costs. (Note: Specific desktop purchases will be charged directly to the MDOC~~[Insert Agency Name]~~ and not allocated.)

Distributed Processing (DP): Distributed Processing services (local networks, servers, email, mainframe operations productions support, etc.) will be charged to the MDOC~~[Insert Agency Name]~~ based on direct assignment of staff. DP program administration will be allocated to first-line workers via step-down function based on salary dollars.

Enterprise Portal Costs: Enterprise Portal costs will be allocated to the MDOC~~[Insert Agency Name]~~ based on a weighted-average of content pages and page views for internet costs.

Rent: DIT recognizes that there may be instances during transition where DIT staff who are servicing multiple agencies may be housed with an area that heretofore had been dedicated to a single agency. DIT will recommend a method for equitable allocation and "true-up" of these costs for treatment beginning with the FY04 billing cycle.

Annual Reconciliation: DIT will conduct an annual reconciliation of charges, or "true-up." This will involve a comparison of billed charges to the actual costs of providing those services. DIT ~~may elect to~~shall refund any difference to customers through a final adjustment to billings. However, if differences are within reasonable levels, upon mutual agreement between DIT and MDOC they may be carried forward as adjustments to future year's charges or rates as provided in OMB Circular A-87.

Meetings: DIT financial staff, in coordination with the MDOC~~[Insert Agency Name]~~'s Information Officer, will meet on a regular basis with MDOC~~[Insert Agency Name]~~ staff to review DIT invoices (invoices typically presented on a monthly basis) and identify and resolve any billing adjustments, omissions and related issues that may be identified.

Spending Plan: DIT financial staff will prepare and distribute a spending plan each month that annualizes expenditures, year-to-date, against the Agency Inter Departmental Grant. DIT financial staff, in coordination with the MDOC~~[Insert Agency Name]~~'s IO, will meet on a regular basis with MDOC~~[Insert Agency Name]~~ staff to review the spending plan, identify funding shortages, and jointly prepare an action plan to spend within available resources.

9.0 Audit Clause

As part of this SLA, the MDOC[Insert Agency Name] and DIT agree to this audit clause which provides that financial records, documents, data, accounting procedures and practices, programs, projects, information systems, or any other items of the service provided, deemed relevant to the SLA by MDOC[Insert Agency Name] and DIT, are subject to examination by the appropriate MDOC[Insert Agency Name] and DIT representatives. The MDOC reserves the right to review any documents pertaining to direct charges on monthly invoices. The MDOC[Insert Agency Name] and DIT will, and will cause its subcontractors and suppliers to, provide to the MDOC[Insert Agency Name] and DIT (and internal and external auditors, inspectors, regulators and other representatives that the MDOC[Insert Agency Name] and DIT may designate from time to time) access at reasonable hours to the MDOC[Insert Agency Name] and DIT personnel, to the facilities at or from which services are then being provided and to the MDOC[Insert Agency Name] and DIT records and other pertinent information, all to the extent relevant to the services and MDOC[Insert Agency Name] DIT's obligation. Such access will be provided for the purpose of performing audits and inspections, dependent upon meeting MDOC access requirements. For non-MDOC staff, those requirements include the performance of a LEIN check and assurance that staff will follow the policies and procedures of MDOC. The MDOC[Insert Agency Name] and DIT will provide any reasonable assistance requested by either party or their designee in conducting any such audit, including installing and operating audit software.

Following an audit, the MDOC[Insert Agency Name] and DIT will conduct an exit conference with MDOC[Insert Agency Name] and DIT representatives. The MDOC[Insert Agency Name] and DIT will meet to review each audit report promptly after the issuance thereof and the MDOC[Insert Agency Name] and DIT will respond to each audit report in writing within thirty (30) days from receipt of such report, unless a shorter response time is specified in such report. The MDOC[Insert Agency Name] and DIT will develop and agree upon an action plan to promptly address and resolve any deficiencies, concerns, and/or recommendations in such audit report and the MDOC[Insert Agency Name] and DIT will undertake remedial action in accordance with such action plan and the dates specified therein.

10.0 Service Reviews

Quarterly (or as needed) reviews will be conducted with the MDOCDepartment's SLA Manager to assess service effectiveness, address service problems, and evaluate service delivery in light of business needs and available resources. Particular attention will be paid to notable deviations from commitments.

As a basis for the review, the IO and MDOC~~Department~~ SLA Manager will collaborate in collecting, analyzing and reporting service data associated with the SLA. A report describing project statuses, issues addressed, decisions made and actions taken will be published within five (5) days of the review meeting.

This review will also include advice from DIT on technology options that have become available that could improve the overall level of service. This review will also serve as an opportunity to identify improvements in performance.

B. AGENCY SUPPORT SERVICES

1.0 New Systems Development

New system development is work that leads to the creation of new systems/applications. Application development requests will be submitted through the process developed by the MDOC[~~Insert Agency Name~~] and the IO. Agency responsibilities will minimally include:

Development of the Project Feasibility document, which shall describe the general business problem being solved. This document must include Agency authorized signatures and funding source. Prior to proceeding with the project, the Agency shall be responsible for developing the project charter, with assistance from DIT. This document must identify:

- Project scope.
- DIT and Agency Roles and responsibilities.
- Project management and project ownership.

Where DIT resource (staffing) conflicts exist, the Agency must re-prioritize current projects and current maintenance efforts to accommodate new system development.

2.0 Application Maintenance and Support

Enhancement and maintenance requests will be submitted through the process developed by the MDOC[~~Insert Agency Name~~] and the IO. Application maintenance and support includes the following:

Enhancement sub-divided as follows:

- Major Enhancement: involves significant new requirements, but does not alter the overall makeup of an existing solution. This may entail adding, changing or deleting functions for the existing

solution. Major enhancements will usually cause an impact to the business, organization or architecture and may require significant cost, effort, and time to complete. Examples may include migration to a new application platform, adding new interfaces, or re-designing a database.

- Minor Enhancements: involves adding new requirements against an existing solution, but have minimal impact on the business, organization, or architecture. Examples may include updates to data tables, updating a field on an HTML view, or updating a module that was originally changed via an emergency fix.

Maintenance sub-divided as follows:

- Corrective Maintenance: includes work that is initially spawned by a problem incident report and is generally referred to as a "fix." Involves changes made to application code in support of new or changed system software. Cost and effort are relatively low. This work may be initiated to provide a complete fix after an emergency fix was performed.
- Emergency Fix: defined as the occurrence of a problem that must be addressed immediately, such as the disruption of a system or application.

  Urgent – life and death situations.

  High – public impact, significantly impacts a large number of users, or inability to meet deadlines for statutory payments.

  Medium – all other situations that have impact on users.
- Perfective Maintenance: involves work that is initiated in order to avert foreseeable problems, improve performance, quality, reliability, efficiency, usability, or maintainability of an installed solution. An example may be performance tuning.

DIT will be responsible for on-going system maintenance, unless otherwise outsourced to a vendor, for the duration of this agreement. Should system maintenance obligations impact the delivery of new systems, or resources not available within the existing staffing structure, the Agency will be responsible for prioritizing maintenance and/or development efforts.

Support: Work related to the production application such as end user assistance, routine tasks or monitoring of the production application. Examples may include on-call support, adding or changing user access to the application, production scheduling, and responding to end user questions or emails.

C. CRITICAL APPLICATIONS

The following applications are considered critical to the agency, and detailed service level agreements are included in **Appendix A**:

~~[List Critical Applications]~~Offender Management Network Information (OMNI)

Visitor Tracking System

Offender Tracking Information System (OTIS)

Custody Control (part of CMIS)

Law Enforcement Information Network interface

Record Initiation (part of CMIS)

D. DISTRIBUTED PROCESSING OPERATIONS

1.0 Overview

The Distributed Processing Operations (DPO) Division within the DIT is responsible for the planning, design, engineering and operations of all local area networks for the State of Michigan. DPO also offers server and application hosting services, e-mail service, file and print services, operating system support, maintenance support, software and hardware technology refreshment services in a variety of different facilities in a distributed environment.

DPO services are typically provided on a 5 X 12 basis; however, the Agency has the option to extend coverage via an on-call service.

DPO also offers mainframe job scheduling, operations and data entry services.

2.0 DPO Services

DPO provides the following types of services to Agencies:

Facilities Management	Network Management
Server Procurement	Job Scheduling/Execution
Server Software Installation	Maintenance Agreements (SW & HW)
Asset/Configuration Management	Server / HW Capacity Planning
Server Installation/Setup	Service Request Management
Server Backup/Recovery	Software Problem Management/Patch Process
Server Documentation	Print Services

Server Security	Operations
	Metrics/Utilization Reporting
User Profile Management	Application Server Support
Performance Tuning	Server Software Distribution
Server Monitoring and Corrective Action	Change Control
Performance Tuning	Software Version Control
Server Monitoring and Corrective Action	

3.0 DPO Monthly Costs

DPO charges for FY03 are costs directly associated with the delivery of the services listed above. These charges include three types of costs: Payroll, Program Administration, and Support Costs.

- **Payroll** consists of actual payroll charges for the pay periods ending during the invoice month. DPO staff is charged to an agency as dedicated to the agency, allocated to the agency, or based on a time distribution.

- **Dedicated**: Costs of DPO employees working full-time for a single agency.

- **Allocated**: Costs of supervisors and managers are allocated based on salary costs of employees in their reporting organization.

- **Time Distribution**: Some DPO employees provide services to multiple agencies. For these employees, their costs are distributed as a percentage or time worked for each agency.

- **Program Administration (PA)** expenditures are costs incurred by program management in the delivery of DPO services. An example of such cost is the Director of Distributed Processing Operations. Costs incurred by the Director of Distributed Processing Operations are allocated to agencies as a function of Agency Services' direct salaries.

- **Support** costs are expenditures such as travel, telephones, pagers, copier rental, office supplies, and other CSS&M related to the staff in the DPO organization.

E. IT PROCUREMENT

1.0 Overview

Contract & Procurement Services provides agency-specific and enterprise-wide procurement and contract management services for IT commodities and services. MAIN processing activities, vendor interaction, and State approval/reporting requirements are handled by DIT Contract & Procurement Services.

2.0 Contract Management Services

DIT Contract Management Services is responsible for processing all IT related contractual service requests, and ensures that the services provided meet contract specifications. In serving these IT needs, DIT Contract Management Services include the following:

- Assist Agency in developing, renewing, and re-bundling IT contracts.
- Work with Agency and project managers in identifying IT needs and developing statements of work.
- Coordinate with DMB to determine most appropriate contract vehicle to obtain services.
- Develop contract language for Request for Proposal, Invitation to Bid, and Sole Source contracts.
- Work with Agency procurement and personnel staff to obtain Department of Civil Service approval, via CS-138, if needed.
- Participate in pre-bid meetings, oral presentations, and joint evaluation committee process and vendor selection.
- Review contractor's detailed work plan to ensure it will result in meeting the objectives and tasks stated in the contract.
- Act as liaison between Agency and Contractor in order to mutual understanding of the respective roles and responsibilities of the contractor and the Agency.
- Prepare contract portfolio and status reports to share with management staff regarding contract management and activity.
- Monitor contracts with existing vendors and make recommendations on extensions and renewals using uniform analysis.
- Manage contract change requests.
- Monitor financial data for each contract to ensure that contract is on budget.

- Monitor all contract activity to ensure compliance with contractual obligations and DIT strategic direction.
- Leverage resources and create cost savings by establishing contracts using a best-practice, best-price, and best-value mindset.
- Promote proactive management of the IT contract portfolio through valued partnership and foster an enterprise-wide perspective.
- Coordinate funding approvals.
- Adhere to Executive Directives/Executive Orders, DIT and Agency-specific requirements in processing IT contractual service requests.
- Process approved agency contractual service requests in a timely and efficient manner.

3.0 Procurement Services

DIT Procurement Services covers the purchase of all non-delegated IT commodities and services for State agencies. Delegated purchases include: supplies (toner, diskettes, etc.), cell phones, pagers, and application user training. Non-delegated purchases include desktop computers and attachments, laptop computers and attachments, printers faxes, copiers, scanners, digital cameras, PDS's, desktop software, servers, mainframes, networking, application software, and IT consulting, contracts and projects. (Second paragraph moved)

The DIT Procurement Services Section performs all MAIN-related functions for IT procurements. These include requisitions, purchase orders, change orders, receivers, and cancellations. DIT Procurement Services will issue Agency-specific procurement requisitions in a designated MAIN ADPICS department number and route those documents for view and approval by the Agency, based on approval path information provided by the Agency. DIT Procurement Services will notify end users of request status throughout the procurement process.

In serving the IT procurement needs of the Agency, DIT Procurement Services will:

- Adhere to Agency-specified approval requirements for IT purchases;
- Provide a variety of methods for Agencies to request the purchase of desktop commodities, including telephone requests, e-mail, fax, ID-mail requests;

- Process approved Agency procurement requests through appropriate DIT approvers in a timely and efficient manner;

- Check published on-hand stock status for items that can be redeployed free of charge before procuring new items using Agency funds;

- Procure commodities that meet published enterprise standards;

- Use a variety of procurement methods, including the MAIN system and procurement cards, to purchase items at the most favorable cost and value;

- Notify the Agency of procurement request status;

- If requested, use Agency-specific coding in selected fields of MAIN coding blocks to assist the Agency in reconciling its monthly invoice;

- Establish and maintain a MAIN ADPICS department approval path to route Agency-specific purchases for approval and viewing by Agency staff;

- Work with the Depot to perform the receiving function for commodity purchases;

- Adhere to State Executive Directives and instructional memoranda regarding the approval, processing, and reporting of IT commodities;

- Expedite orders as quickly as administratively possible for urgent Agency requests;

- Coordinate procurement efforts with those of DIT Infrastructure Services, Agency Services, and Administrative Services to streamline receipt, delivery, and billing for commodities;

- Provide procurement contact names and instructional media to Agency staff regarding DIT procurement methods. If requested, meet with and train Agency staff on DIT procurement processes;

- Work cooperatively with DIT Infrastructure Services to maintain warranty and maintenance agreements for software and hardware serving the Agency;

- Strive to lower Agency costs for licensing and maintenance purchases by combining procurements for volume discounts;

- Process assigned invoices in a timely manner and work proactively with DMB Accounts Payable staff to ensure timely, accurate payment of vendor invoices.

- For non-IDG purchases, place the accounting information in the notepad of the Purchase Order.

The Agency will be responsible to:

- Enter Account Code (AC3) information into requisitions in the approval path, if the Agency chooses to request AC3 coding for its IT purchases;

- For IT desktop commodity purchases, supply information identifying the end user's name, phone number, and physical location to assist in notification, delivery, installation, and inventory tracking;

- Provide Agency-specific ADPICS department number and level number for inclusion in the DIT approval path;

- Provide DIT Procurement with current information on Agency-designated signatories and approvers for DIT-0015 (Procurement Request) documents and Client Service Center Procurement requests;

- Indicate whether funding for each procurement request is included in the IDG;

- Comply with the requirements of the End User Computing (EUCN) freeze on desktop commodities by providing a business case for any desktop commodity request that includes some portion of general fund monies. Comply with all other EUCN regulations.

Charges to the Agency for Procurement Staff will be based on the percentage of transactions processed for the Agency by its designated procurement liaison(s) and related percentage of the supervisor and overhead costs. Remedy statistics may be used to calculate number of transactions processed for the Agency.

F. SECURITY SERVICES

1.0 Security Services Overview

Security Services cover the development, maintenance, implementation, and enforcement of security-related policies and procedures for State Government IT resources.

It also includes incident management, monitoring, and interaction with non-State of Michigan security entities to insure that the State's IT infrastructure is safe from entities outside State Government as well as within State Government.

2.0 Scope

- Development of security-related policy and procedures.
- Coordination, implementation, and enforcement of all related security policies.
- Monitoring of security processes.

3.0 Security Services

Security Awareness and Assessment

Essential Base Services:

Development of Security Guidelines and Standards

1. Development of guidelines and standards to meet state and federal security obligations and needs.
2. Coordination of DIT Security agreement processes with agencies.
3. Provide security-related tools, such as training material, etc.
4. Research new security technologies and make recommendations for new processes.

Premium Services:

1. Coordination of Security with agencies, including awareness promotion: Work with agencies to promote security awareness.
2. Enterprise Risk Assessment: Conduct enterprise-wide Rapid Risk Assessment.
3. Assessment & Management of Application Risk:
    A. Assessment of application risk: Assist agencies in evaluating degree of security-related risk.

B. Development of mitigation plans: Provide assistance to customers toward development of mitigation plans to address identified risks.

Passive Monitoring of IT Security Environment

Essential Base Service:

Monitoring of State Firewalls

1. Provide oversight responsibility for the security of the State's infrastructure.

2. Provide final approval on firewall rule changes in accordance with State Standards and guidelines.

Provide Security Alert Services

1. Monitor, evaluate and publish industry security events and vulnerabilities to Agencies.

2. Provide network intrusion detection.

3. Monitor security breaches and provide information to agencies as warranted.

Hardware Security Scanning Services

1. Coordinate scanning of systems within ~~SOM~~ the State of Michigan for possible vulnerabilities.

2. Provide recommendations to resolve known vulnerabilities.

Virus Protection

1. Coordination of virus protection, detection and suppression at the PC, server and network level.

General Security Monitoring

1. Provide reports to agencies on security violations as well as policy infractions.

2. Provide Intrusion Detection System (IDS) services on DIT supported platforms.

3. Coordinating application of federal security programs, such as Homeland Security (focused on "all threats" approach).

Software Scanning Service

1. Provide scanning of new software purchased by the agency for possible vulnerabilities.

Active Monitoring of IT Security Environment

Essential Base Service:

Perform IT Risk Assessment Services

1. Perform risk assessment of DIT infrastructure facilities in accordance with State policy and standards.

2. Perform on-demand risk assessment service, as needed within DIT for new or changing infrastructure facilities.

3. Document risk assessments for management review and response.

Audits of Access Privileges

1. Audit access codes and usage on platforms within DIT based on Security policies and standards.

2. Provide information for coordination with customers on customer access rights and privileges.

3. Assist customers with agency audits relating to IT platforms/applications. This assistance may involve IRS audits, MDOC internal audits, Auditor General Audits, etc.

Premium Services:

1. Ethical Hacking - Conduct ethical hacking against DIT platform resources to assist in determining level of risk for intrusion, firewall protection and make recommendations on remediation strategies.

2. User Monitoring - On-demand monitoring of users. In specific circumstances, it may be necessary to monitor specific users to address suspected illicit or fraudulent use of IT resources.

3. Health Information Portability Protection Act (HIPPA) - Ensure compliance with HIPPA regulations.

4. Security Accreditation of Computer Systems - Facilitate security accreditation and certification of computer systems.

5. Formal Security Training / Awareness.

6. Homeland Security Incident Coordination Issues/Response.

Coordination of Physical Security for DIT Facilities

Essential Base Service:

1. Provide ~~oversight r~~Responsibility for the security of the State's physical IT infrastructure.

4.0 Disaster Recovery Services Overview

The Disaster Recovery and Emergency Management Services addresses DIT's responsibility regarding planning, developing and executing disaster recovery capabilities.

These services also address offering assistance to the agency toward development of their business resumption plan responsibility. DIT can leverage its disaster recovery planning expertise to provide assistance to its plans and processes. While both the development and execution of business resumption is clearly an agency responsibility, DIT will assist customers in dealing with this responsibility.

5.0 Scope

- Assist in the creation of disaster recovery plans and processes and creation and maintenance of a disaster recovery hardware environment.
- Bring hardware and systems back online in the event of a disaster for critical application infrastructure.
- Assist toward development of business resumption plans and processes.

6.0 Disaster Recovery Services

Development and Maintenance of Disaster Recovery Plan

Essential Base Service:

Maintenance of Disaster Recovery Plan - For critical business and DIT processes, creation of a disaster recovery plan covering:

1. Maintenance of existing disaster recovery plans.

2. Distribution of the disaster recovery plan.

Premium Services:

A. Development of Disaster Recovery Plans - For critical business and DIT processes, creation of a disaster recovery plan covering:

   1. Development of disaster recovery plans specific to each platform/process.

   2. Distribution of the disaster recovery plan.

Testing of Disaster Recovery Plan

Essential Base Service:

Testing of Disaster Recovery Plan - Coordination of testing process with DIT infrastructure support and customer as required. This includes:

1. Testing of applications, network availability and output.

2. Ensuring that adequate Disaster Recovery testing is accomplished to meet customers' business requirements.

Premium Services:

A. "Table-Top" Testing - Panel review of Disaster Recovery Plan to verify plan validity (content, information, sequence, etc.).

B. Simulation Testing - Full-blown simulation of Disaster Recovery Plan execution to verify validity, completeness and effectiveness.

Execution of Disaster Recovery Plan

Essential Base Service: None.

Premium Services:

A. Declaration of an EMERGENCY - Based on customer need and circumstance, DIT or the MDOC Director is responsible for and has the right to the declaration of an emergency.

1. Provides 'over and above' normal business response for the specific systems or applications for which the emergency has been declared.

2. Escalation to 7 X 24 coverage from on-call individuals.

B. Declaration of a DISASTER - Based on customer need and circumstance, DIT or the MDOC Director is responsible for and has the right to the declaration of a disaster. [NEED TO SUMMARIZE CIRCUMSTANCES THAT WOULD CREATE A DISASTER AS WELL AS DEFINE DISASTER]

C. Execution of Disaster Recovery Plans and Processes - Carry out efforts necessary to implement a Disaster Recovery effort based on the requirements defined in the Disaster Recovery plan to ensure that the DIT Services meets pre-defined Agency Business Resumption Process requirements (may include the desktop, telecom, and distributed server environments).

1. Re-establishment of infrastructure required to support business resumption.

2. Re-establishment of data access.

Assistance toward Development of Business Resumption Plans and Processes

Essential Base Service:

- Assistance to agencies toward development of their business resumption plans and processes.

- Coordination of business resumption planning process with DIT Infrastructure support, Agency Services and Customer as required.

- Ensure that all infrastructure issues identified in the Business Resumption Process as being critical are involved in the development process (may include the desktop, telecom, and distributed server environments).

Other Disaster Recovery Services

Essential Base Service:

All other disaster recovery and assistance toward development of business resumption processes.

G. ENTERPRISE APPLICATION SERVICES

1.0 Overview

Enterprise Application Services provides application development and support for technical applications and services impacting several agencies and the enterprise (all agencies), including Human Resource Management Network (HRMN), DCDS, ADPICS, RSTARS, Michigan.gov, e-stores, Vignette, and Senior Project Management.

2.0 Development and Enhancement Services

Development and enhancement services to the Human Resource Management and Finance applications including HRMN and DCDS are prioritized by the Civil Service Department. MAIN (ADPICS and RSTARS) services are prioritized by the Office of Financial Management.

New Development projects and enhancements to enterprise or multiple agency solutions including Michigan.gov applications are provided upon request by agencies.

Billing and Funding

HRMN and DCDS are funded by the Civil Service Department; MAIN is funded by the Office of Financial Management of the Department of Management and Budget. Development and enhancement services are billed based on the scope of work requested and funding available by the requesting agency.

The billing rate will be an hourly rate for staff based on expertise:

- Project Manager
- Jr. Project Manager/Special Projects Lead
- Sr. Technical Analyst
- Analyst/CMA Specialist

Obtaining Services

A Memorandum of Understanding identifying the rates, work to be performed, responsibilities and funding source and approval will be developed and signed by the Information Officer, the Director of Enterprise Application Services or designee, and the Requestor for each project.

3.0 Michigan.gov

The Michigan.gov portal group provides hosting services including the production server environment and support at a 99.9% availability, and a test server, licenses and support.

Support Services for Michigan.gov include:

- Formal training and expertise in Vignette to all end users.
- Technical expertise in Vignette, Surfaid and Inktomi for all technical resources.
- Graphical User Interface Michigan.gov Standard support (banner and graphics).
- State of Michigan web application monitoring and review for consistency in security, privacy, look and feel, usability.
- Routine and on-request statistical reports.
- Web user interface design expertise and support of the user interface look and feel of the portal.
- Vignette Application maintenance and small enhancements.
- Maintain the contact Michigan e-mail box and either answer the e-mails or redirect them to the agency or office that can best reply to the query.
- Support Governor's Executive Office and Communication Division with ongoing support for the Michigan.gov home page.

Billing and Funding:

Michigan.gov Portal charges must support entirely the cost of the production and test hosting environments (now 88% of the cost) and the support services staff (now 12% of the cost). Total estimated annual expenses for the Michigan.gov portal is $4,081,000 distributed as follows:

Production and test hosting charges:	$3,586,000
Support Services Staff:	$ 495,000

~~Total estimated charges for [Insert~~ Agency Name] ~~for October 1, 2002 through September 30, 2003 are [Insert appr~~opriate amount]

Agency charges are based on two factors – each weighted at 50%. These factors will be reviewed and adjusted annually:

- Content count in Michigan.gov Database on 10/25/02 are representative of the cost of those servers, redundancy and support and the Vignette application.
- Page Views (end user traffic) 9/1/02 through 9/30/02 are representative of the cost of servers and support for Michigan.gov response time, availability and redundancy.

Charges are not based on the number of websites per agency, the number of authors, editors or publishers, or the number of training or support services.

Obtaining Services:

Enterprise Application Services supports Michigan.gov customers in several different ways:

- Content Management Administrator (CMA) Training is provided on a regular schedule or, if needed, special training can be coordinated to ensure that agencies have personnel capable of maintaining the agencies' web sites with current information. Training can be scheduled by going to http://w3.michigan.gov/emichigan clicking on CMA and then Training.

- Assistance on CMA problems.

- Requests for URL redirects.

- Maintain the contact Michigan e-mail box and either answer the e-mails or redirect them to the agency or office that can best reply to the query.

For assistance ~~and~~ on any of these items, send a GroupWise e-mail to DIT-EAMS-Web. For immediate assistance from 8:00 AM to 5:00 PM, you can page a CMA expert by calling 341-0999 and leaving your phone number.

Senior Project Manager Services:

The Senior Project Manager is responsible for the successful on-time, within budget and scope, delivery of large ($5,000,000+), complex and strategic State of Michigan projects. They are seasoned and experienced project managers responsible for successful delivery along with providing mentoring and development of Project Management as a discipline within the State of Michigan.

The billing rate for senior project managers is $95 per hour for fiscal year 2003.

Obtaining Services:

For assistance on obtaining services, cContact your IO or Teresa Douglass at 517-241-5779.

H. DESKTOP SERVICES

1.0 Overview

This section details the services associated with the availability of 'ready-to-use' workstations, including standard or advanced workstations as well as associated peripherals, standard software and applications.

It also covers the activities required to ensure that the workstations, peripherals, software and applications provided are properly supported through their entire lifecycle.

2.0 Roles and Responsibilities

Desktop Services include:

- Availability of workstation & standard software, including standard configuration, software and basic office productivity and State of Michigan software and applications;
- Availability of non-standard software, in answer to specific agency, position or in some case individual needs;
- Model Office service, which ensures that any new application, software or hardware is 100% compatible with existing standards & equipment;
- Moves, Adds and Changes service, which deals with the installations, moving and/or removal of workstations and peripherals;
- Peripheral support, covers the on-site support for standard peripheral equipment;
- Kiosk support, similar to peripheral support but tailored specifically to the kiosks used by the agencies to provide services across the state.

3.0 Client Service Center

As its name implies, Client Service Center essentially provides a portal to all DIT-related service areas via an Enterprise and Centralized Help Desk.

The Client Service Center covers the following:

- Single point of contact for any form of user support: (to obtain 'break & fix' support, to obtain information about DIT services, to procure new services from DIT such as applications hosting, etc.);

- Tier 1 user support with a stated goal of resolving the majority of support requests during the initial call ("on the spot");

- Tier 2 user support, when applicable, by drawing on other DIT services or Agency programs for final resolution of the issue.

I. CENTER FOR GEOGRAPHIC INFORMATION (CGI)

1.0 Overview

The Center for Geographic Information (CGI) provides leadership, technical expertise, and policy for the development, use, dissemination, promotion and sharing of the state's geographic resources. Charges for CGI fall into two (2) categories: direct agency charges and services charged on an hourly basis.

2.0 Services

New development projects and enhancements to enterprise or multiple agency solutions are provided upon request by agencies. These services are billed based on the scope of work requested and funding available by the requesting agency. A Memorandum of Understanding identifying the rates, work to be performed, responsibilities and funding source and approval will be developed and signed by the IO, the Director of the CGI, and the requesting agency. The billing rate will be an hourly rate for staff as follows:

Senior Staff:	$75 per hour
Junior Staff:	$60 per hour
Support Staff:	$35 per hour

Selected Services Include:

Internet Mapping Services

Thinking and working geographically provides the advantages of using maps for decision support. Internet Mapping Services provide web tools to create maps, integrate information, visualize scenarios, present powerful ideas, and develop effective solutions. Geographic Information Systems (GIS) on the Internet provides a much more dynamic tool than a

static map display. Web-enabled GIS delivers interactive query capabilities such as

- Searching for specific site locations
- Displaying and viewing multiple data sets
- Conducting queries for specialized analysis
- Retrieving specialized data services

The CGI provides web-specific data development and management services targeting cartographic design and map rendering technologies; Internet Mapping Application development using pre-developed functionality or meeting new, agency-specific requirements; and IMS hosting services that include Geographic Information Technology (G-IT) hardware and software maintenance with application versioning upgrades available.

3.0 Project Management

Geographic Information Technology (G-IT) encompasses an understanding of spatial data, cartographic expertise, a specifically targeted family of software and its supporting architecture. Since 80% of State government information has a spatial component, the CGI offers agencies its G-IT expertise for reviewing proposals containing a geographic component and continuing project management services to ensure successful vendor delivery of G-IT requirements.

G-IT User Support

The CGI is committed to supporting and enabling Geographic Information software and equipment users. Both formal and informal assistance and training is available for Geographic Information off-the-shelf software, G-IT equipment such as Global Positioning Units (GPS) units, and user training for developed applications. Cartography-related services include custom mapping, development of both standard and custom symbol sets, and standard mapping templates and layers. CGI also provides GIS analysis services tailored to meet agency needs or assists agencies in developing and implementing their own GIS analysis.

Spatial Data Management

The CGI realizes the growing need for managing the ever-increasing volume of State geographic data and offers services to develop data standards for geospatial metadata, locational referencing (examples include address, Public Land Survey System, linear referencing systems,

digital orthophotography, Global Positioning Systems [GPS] and other referencing systems), and web portal standards for the Michigan Geographic Data Library. Standards are designed to leverage data integration and sharing among State agencies. Assistance is available for using, administering, and optimizing SDE (Spatial Data Engine) for data loading, data access, and increased performance. Modeling and design services provide yet another avenue to improve data access and availability.

Product Development, Data Development and Data Integration

CGI provides the following services~~, including~~:

1) Standard and custom map products;

2) Large-format printing for press conferences, court exhibits, and presentations;

3) Database queries and tabular report compilation that reference geospatial data;

4) Address (and other locational data) cleansing and address matching/geocoding services;

5) Geospatial and related data conversion and migration;

6) Custom geographic data development;

7) Referencing system and map projection conversions; and

8) Two-way data integration between the Michigan Geographic Framework and various business data sources.

CGI also coordinates digital imagery acquisition and development. The CGI administers the State's geographic information web portal including maintenance of the Michigan Geographic Data Library providing access to several State agency-sponsored datasets.

Michigan Geographic Framework

CGI serves as administrator of the "Michigan Geographic Framework". The Geographic Framework is a standardized infrastructure on which all GIS users of 1:12,000 scale map data can build their applications. CGI serves state, regional, county, and local government agencies, private businesses, and the general

public. CGI provides technical assistance and consultation services to Michigan's GIS user community.

~~(If appropriate, [Insert Agency name] is a contributing partner for FY03 and has committed [Insert dollar amount].)~~

Service Request Process

Contact your IO or Eric Swanson at 517-373-7910.

J. DATA CENTER OPERATIONS

1.0 Overview

Data and Application Hosting is the ability to provide mainframe/server facilities, Operating System support, maintenance and operational monitoring of customer data and applications.

2.0 Data and Application Hosting

Data and application hosting can be performed either in a centralized or distributed environment, depending on the criticality of the data or applications hosted:

- Centralized hosting in a 7x24x365 data center is provided for data and those applications requiring high availability and/or a need for disaster recovery capabilities. It can also be preferred when a selected application resides on a mainframe or server supported by the data center.

K. TELECOMMUNICATIONS

1.0 Overview

Telecommunications involves traditional voice (telephony) and data network backbone connectivity between State of Michigan work locations.

Voice Services addresses all services related to telephony, from basic office and cellular telephony to the design and deployment of elaborate Interactive Voice Response systems (IVR), Enhanced Call Processing (ECP), or Call Centers.

The breadth of Voice Services offered depends directly on the degree of involvement that DIT has in its delivery, i.e. whether or not the delivery facilities are managed by DIT rather than by an external service provider.

2.0 Service Levels

This translates into three (3) different levels in the breadth of Voice Services that are available to customers:

- For most central locations, or locations with a strong concentration of State of Michigan operations (specific buildings within the **Lansing**, **Saginaw**, **Grand Rapids** and **Detroit** areas), DIT manages the voice installations and is accordingly able to offer its full breadth of Voice Services.

- For other locations with significant population or concentration of State of Michigan operations (specific buildings within **Flint**, **Jackson** and **Kalamazoo** areas), DIT is able to offer a limited breadth of Voice Services.

    - For all other locations, the role of DIT is currently limited to negotiating agreements with service providers to deliver the services on behalf of DIT.

Data & Network Connectivity covers the connectivity of users to standard State of Michigan data sources and applications such as data center applications, distributed applications and external partners.

The Data & Network Connectivity Services are divided into the following services:

- Connection of a local network to the State of Michigan "backbone," which provides all users of this local network with access to the different data sources described above;

- Different remote connectivity modes, through which users working remotely are able to access their normal data resources;

- Different network services such as dedicated connectivity, connection to external partners, etc.

Appendix A

Application Service Level Detail

System Name: xxxxxxx
Effective Date: xx/xx/xx

Customer: xxxxxxx

Technology Owner: xxxxxxx

1) Maintain Current System **Support**

a. Maintain Current Functionality I
b. Contingency Management and System Recovery I
c. Problem Resolution I
d. Holiday Processing I
e. Year Changes ..... N/I
f. Change Control ..... N/I

2) Application Support Services

a. Application Operations I

b. Historical Recurring Changes ..... N/I
c. Ad hoc Web Maintenance I
d. Special Distribution of Output I
e. Data Processing Supplies I

3) Discretionary System Changes

a. Support for Customer Request I
b. Technology Assessment I

4) Other: System Services Specific to This System

a. Training I
b. Clerical Services I
c. Data Entry Services I
d. System End User Help Desk Support I

I - Included
N/I -- Not Included

Appendix A

System Description

The purpose of this System is to provide . . . . .

1) Maintain Current System

The following Services are required by DIT to maintain System integrity and the current level of service:

1-a. Maintain Current Functionality

DIT will maintain the System functions in place as of the effective date of this SLA. This service ensures the correct operation of the System. DIT will notify the customer that a System change or System maintenance schedules are ready for implementation based upon the customer's time frame.

Major Functional Activities:

-
-

Processing Modes:

-
-

On–line Inputs:

-

Processing Inputs:

-
-

Processing Outputs:

-

Reports:

Daily: (x)

•

Appendix A

Weekly: (x)

•
•

1-b. Contingency Management and System Recovery

DIT is responsible for providing a backup and recovery method for this application based on the following customer requirements:

1-c. Problem Resolution

DIT will provide xx hour per day, xxx days per year abend resolution; resolution of data integrity problems will be communicated by DIT to the Agency if any other deliverable will be affected.

Response time measure:

Abends–

Report delivery–

System performance–

1-d. Holiday Processing

DIT will make changes to enable the System to continue with current functions while adjusting to the Agency holiday work schedule.

1-e. Year Changes

Not Included (N/I) - Any changes requested or required to the system must follow the normal development process.

1-f. Change Control

Not Included (N/I) - Any changes requested or required to the system must follow the normal development process.

Appendix A

2) Application Support Services

Application Development and Maintenance Services cover the entire application lifecycle from a total cost of ownership perspective.

This service offering also addresses the opportunity evaluations necessary to decide whether or not an application development project is warranted.

Application Support

2-a. Application Operations

DIT will provide System support for the current on line and batch operations.

Online Detail:

Batch Cycle(s) Detail:

Cycle name:
Cycle description:
Frequency:
Special file handling:
Monitor Production Cycle:

Cycle name:
Cycle description:
Frequency:
Special file handling:
Monitor Production Cycle:

Appendix A

2-b. Historical Recurring Changes

Not Included (N/I) - Any changes requested or required to the system must follow the normal development process.

2-c. Ad hoc Web Maintenance

2-d. Special Distribution of Output

2-e. Data Processing Supplies

N/I

3) Discretionary System Changes

3-a. Support for Customer Request

N/I

3-b. Technology Assessment

N/I

4) Other: System Services Specific to This System

4-a. Training

N/I

4-b. Clerical Services

N/I

4-c. Data Entry Services

N/I

4-d. System End–User Help Desk Support

The initial contact for support of this application will be through the DIT Client Service Center.

Glossary of Terms

-A-

Access Privileges	Physical and remote access to DIT facilities and resources granted by Enterprise Security.

-B-

Business Resumption Plan (BRP)	The documentation that delineates for the Client and DIT the necessary procedures to successfully move the Client's applications from a production facility to the Disaster Recovery Site.

-C-

Change Order	The process of documenting a change which is a deviation from an original request for the purposes of evaluation, approval or rejection, scheduling and tracking.
Client	The term by which DIT will refer to the State agencies that DIT supports, emphasizing the long-term service relationship.
Client Service Center (CSC)	An organizational unit that will manage all requests for clients. This is the initial point of contract for DIT service requests.

-D-

Dedicated Services	Those services which are utilized by a single agency.
Disaster Recovery Plan	The documentation that delineates all the roles and responsibilities for DIT staff, along with the steps that must be taken to successfully move the production processing performed at the DIT managed facilities to the Disaster Recovery site.

-E-

Enterprise Services	Those services which are utilized by multiple agencies.
Escalation	Engagement of increasingly higher levels of Management and technical resources to ensure problem resolution.
Ethical Hacking	Simulated hacking performed at the request of a Customer Agency, under the authority of Enterprise Security.

-N-

Normal Business Hours	Fully staffed operational activity
Notification	A communication to Management at predetermined times to provide awareness of a problem ticket that has been entered into the automated system.

-S-

Service Level Agreement	A document which creates a shared understanding regarding the services provided.
Service Request (SR)	Any type of need from a client that is submitted to DIT, for example, break/fix, application support, upgrades, password resets, purchases, etc. Request for a change in an established process or procedure.
Status	Summary of problem resolution activities for a given ticket to Customers at specific points in time.
Service Providers	The phase in a system life cycle of the continuous performance of normal daily tasks.
System Availability	Total time system is available to agency, minus scheduled downtime.

Proposal for Inclusion in the IT Strategy

A major component of our IT strategy should be to develop:

Common IT solutions for common business processes and problems.

I would take this further by saying that the common IT solutions should be provided by commercial off the shelf (COTS) software which is configured not hard coded to provide the necessary functionality.

In the sections below I have included

1. Examples of where it should be easy to see that we do have common business processes.
2. Some benefits that would accrue
3. Challenges to implementing the strategy
4. A possible starting point for implementation
5. The need for a business champion

1. Examples

I believe that despite the large number of individual agencies and the apparent wide variation in services provided, many of the business processes are in fact the same. For example,

a. Customer Contact
   Citizens contact each agency to inquire about how that agency is processing their document. Their document can be a tax form, an unemployment claim, a benefits claim or a registration form.
   Each agency seeks to provide customer service by recording the citizens inquiry and giving a status response to the citizen.
b. Document Processing
   Citizens send the agency a document to be processed. The document can be electronic or paper. Before processing or as part of the process, the information on the document is validated. Validation can take the form of a simple computational check or it may involve comparison with data already held by the agency. Subsequently forms are approved for further processing or are selected for what is often a manual review.

These two processes should each have a standard IT solution which can be configured to meet the agency's specific business rules. Also since these processes are common in the commercial world there should be a COTS solution available with the industry best practice approach.

2. Benefits

Adopting this strategy has many benefits for DIT, the agencies and the citizens or customers.

a. It leads to a lower cost of ownership for IT solutions including regular and easy-to-implement upgrades which keep pace with improved technology and embed support for industry best practice.

b. Lower risk for new system implementations.
c. Enables IT staff to acquire common skills, which cover many agencies.
d. Provides better customer service since many agencies have common customers and standardization with common interfaces will make dealing with government easier.

3. Challenges to Implementation

a. Executive Support

Most COTS software supports industry best practice approach to business processes. Our agencies may not be following best practice and this could lead to a following situation:

> An agency asks for an IT solution to a business process or problem. The standard IT solution previously created for this process will not work because the agencies business process needs to be changed.

Will DIT be able to compel the agency to re-engineer their business process before providing the IT solution?

The answer to this question is crucial if DIT and the state of Michigan are to reap the benefits of the standardized approach. Standardization requires executive support. In the commercial world standardizing requires main board approval and support precisely for the situation outlined above. The long-term benefit to the organization as a whole far outweighs the short-term pain suffered by an individual division. The only consolation for the individual division is that by following industry best practice the agency should at least see some effectiveness and efficiency gains to offset the pain of change.

b. Creating Standard Business Processes

In the above scenario, say we did have the authority to compel the agency to adopt a best practice approach. Who is going to come up with the best practice approach? DIT? This again is a difficult question.

Creating standard business processes should be the responsibility of the business leaders. In the commercial world the single largest driver which motivates business leaders to standardize has been profitability. For many years now the commercial sector has been involved in business re-engineering projects as they seek to become more effective and efficient and thus more competitive and profitable. Major corporations have also realized that standardizing business processes and subsequent IT solutions leads to significant savings and hence the large number who have taken many disparate business processes and provided one IT solution.

c. Motivation

The absence of profitability as a common driver does present the public sector with a unique challenge as does the fact that the benefits of standardization often accrue over a period longer than the political cycle. However I do believe that in the current economic climate, there could be some political traction to this process, if the benefits can be clearly explained to executive management.

4. A Starting Point

I believe that with Siebel the state already has a COTS package that can provide many of the IT solutions to Customer Relationship Management (CRM) problems. In document management various agencies are now beginning to use FileNet as a solution. DIT however needs to get some control around all of these solutions since we have the proven ability to take any COTS package and change it into a customized piece of software which will not provide any of the benefits referred to above.

DIT therefore needs to begin to look at these two areas and confirm
a. The common IT solutions
b. The common business processes or problems.

5. The Need for A Business Champion

Many both within DIT and in the agencies will view this strategy with some healthy skepticism. The areas of CRM and Document Management might seem too easy or peripheral to validate the strategy. Therefore DIT needs to find an opportunity with one agency of replacing all its back end legacy systems with a COTS solution using only configuration. DIT needs one agency to act as a business champion of this strategy and to prove to other agencies that it works.